



Manitoba Grocery Price Study

June 2026

Manitoba 

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Minister's Message

After years of rising grocery prices, Manitobans are feeling squeezed when they go to the grocery store. Families are working hard, stretching household budgets further than ever, and looking for relief on the everyday essentials they rely on.

We're taking action, with a plan that leads the country and uses every lever available to us to help get grocery costs down.

That is why Manitoba launched the Grocery Price Study, the first provincially led initiative of its kind in Canada. This study is about understanding what is driving grocery prices higher, examining the practices that may be making food less affordable, and identifying practical actions government can take to help.

We know that rising food costs are not only the result of global pressures like inflation, supply chain disruption, and tariffs. Across North America, concerns are growing about market concentration, reduced competition, and the use of new technologies and consumer data in ways that may allow big grocery companies to charge people more. Manitobans deserve transparency and fairness when they shop for groceries.

Our government has already taken action to lower costs. We froze the price of one-litre milk cartons, moved to eliminate restrictive property controls that limit grocery competition, and brought in new rules to stop predatory pricing, so the big companies can't use your data to charge you more. But we know there is more work to do.

This study will help guide the next steps. It brings together data, research, and policy expertise to better understand how grocery prices are affecting Manitobans and what tools are available to government to improve affordability, strengthen competition, support local food systems, and protect consumers.

I want to thank the researchers, community partners, producers, retailers, and Manitobans who are contributing to this important work.

Together, we are building a fairer, more affordable Manitoba.

Sincerely,

Adrien Sala
Minister of Finance

Executive Summary

Over the last several years, Canadians have experienced significant increases in grocery prices and household food costs. Families, seniors, students, and workers across Manitoba are facing growing pressure at the checkout line, while community organizations and food security networks continue to report rising demand.

The Manitoba Grocery Price Study was launched to better understand the factors driving grocery prices, examine the impacts on Manitoba households, and identify opportunities to improve affordability. It is the first provincially led study of its kind in Canada and brings together economic analysis, food system research, policy reviews, and input from government departments, community organizations, producers, retailers, and stakeholders.

The study found that grocery affordability is being shaped by a combination of global, national, and local factors. Inflation, supply chain disruptions, energy prices, climate-related impacts, transportation costs, and geopolitical instability have all contributed to higher food prices. At the same time, concerns have emerged regarding grocery market concentration, barriers to competition, and the growing use of consumer data and technology in pricing decisions. These pressures are not unique to Manitoba. Jurisdictions across Canada are facing many of the same affordability challenges as governments, consumers, producers, and retailers grapple with rising costs throughout the food system.

Between 2020 and 2025, grocery prices in Manitoba increased significantly faster than historical averages. While food inflation affected all Manitobans, its impacts were not evenly distributed. Seniors, lower-income households, and northern and remote communities face some of the greatest affordability challenges.

Governments have tools to help address these pressures. Manitoba has already taken action to lower costs, including freezing the price of one-litre milk while undertaking a comprehensive review of milk prices, and introducing the first universal school nutrition program in Canada. Budget 2026 included a significant new affordability measure by removing the provincial sales tax from all food sold in grocery stores, including prepared and ready to eat foods like rotisserie chicken, soups and sandwiches, baked goods, beverages, and snack foods. Beginning July 1, 2026, this measure will provide direct and immediate savings at the checkout for Manitoba families.

The study also found that food affordability is about more than prices alone. Access to grocery stores, transportation, community infrastructure, local food production, and the strength of food supply chains all influence whether Manitobans can reliably access healthy and affordable food. Food deserts, food mirages, northern food costs, and rural grocery store succession challenges illustrate how geography and market conditions can affect affordability outcomes.

Throughout the study, four broad themes emerged as areas where governments can play a meaningful role in improving grocery affordability:

Fair Pricing and Consumer Protection

Consumers increasingly face a grocery marketplace shaped by data collection, digital technologies, and sophisticated pricing systems. Emerging practices such as surveillance pricing, algorithmic pricing, electronic shelf labels, and consumer profiling have raised concerns about transparency and fairness. The study identifies opportunities to strengthen consumer protections, improve transparency through unit pricing and shrinkflation disclosures, and ensure new technologies are used in ways that protect consumers.

Competition and Market Access

Competition remains one of the most effective long-term tools for improving affordability. In Canada, competition is governed at the federal level under the Competition Act, which is administered and enforced by the Competition Bureau of Canada. The Bureau's 2023 retail grocery market study¹ found that restrictive property controls, barriers to market entry, and market concentration can limit consumer choice and reduce competitive pressure. The Bureau's study made four recommendations to promote greater competition in the retail grocery sector, including that provincial and territorial governments consider taking measures to limit or ban property controls. Manitoba's actions to eliminate grocery property controls represent an important step toward creating more competitive grocery markets and encouraging new entrants. There may also be further opportunities for Manitoba to engage with the federal government on ways to improve competition in the grocery industry and lower prices.

Stronger Food Systems

Food affordability begins long before food reaches a grocery shelf. Production costs, processing capacity, transportation networks, and distribution systems all contribute to food prices. The study identifies opportunities to strengthen Manitoba's food system through investments in food processing, food hubs, local procurement, regional distribution systems, greenhouse development, and stronger connections between producers and institutional buyers.

Community Food Access and Food Security

Community-based solutions play an important role in addressing food affordability challenges. Indigenous food systems, community food hubs, mobile markets, food rescue initiatives, co-operative grocery stores, public-community grocery models, and rural grocery succession planning all offer opportunities to improve food access while strengthening local economic development and community resilience.

1 <https://competition-bureau.canada.ca/en/retail-grocery-market-study>

The Manitoba government has already taken significant steps to address affordability, including freezing the price of one-litre milk, undertaking a comprehensive review of milk prices, removing the PST from all groceries, banning predatory pricing, eliminating barriers to grocery competition, supporting school nutrition programs, expanding food access initiatives, and strengthening local food systems.

While no single policy can fully address grocery affordability challenges, the study demonstrates that governments have a range of tools available to improve competition, strengthen consumer protections, support local food systems, and improve access to healthy and affordable food.

PART I - UNDERSTANDING THE PROBLEM

Chapter 1: Grocery Affordability in Manitoba

Grocery affordability has become one of the most significant cost-of-living challenges facing Manitoba households. Since 2020, Manitobans have experienced sustained increases across nearly every major grocery category, placing growing pressure on household budgets and increasing concerns about food security. While inflation has affected many aspects of household spending, food is unique because it is a necessity that cannot easily be postponed or avoided.

The purpose of this chapter is to examine how grocery prices have changed in Manitoba since 2020, how those changes have affected different households, and what current trends suggest about the future cost of food.

1.1 GROCERY PRICE INFLATION IN MANITOBA

Analysis by the Manitoba Bureau of Statistics indicates that food prices in Manitoba increased significantly between 2020 and 2025. While inflation affected many goods and services during this period, grocery prices generally rose faster than historical averages, contributing to higher household food costs.

This section examines average annual Consumer Price Index (CPI) inflation for All Food, Food Purchased from Stores (groceries), and major household food staples in Manitoba between 2020 and 2025. Weighted averages reflect each food category's contribution to overall grocery price inflation, as estimated by the Manitoba Bureau of Statistics.

Between 2020 and 2025, average annual inflation for All Food and Food Purchased from Stores was 4.5 per cent and 4.8 per cent, respectively. Over this period, the household food staples that recorded the largest average annual inflation were eggs (+6.0%), meat (+5.2%), and preserved vegetables and vegetable preparations (+5.2%). After accounting for basket weights, however, meat contributed the most to overall grocery price inflation because of its larger share of household grocery spending.

Average Annual Consumer Price Index Inflation Per Cent Change for All Food, Food Purchased from Stores, and Household Food Staples in Manitoba

Food Category	Average Annual CPI Per Cent Change, 2020-2025 (%)	Adjusted CPI Basket Weight (%) ²	Weighted Average Annual CPI Per Cent Change, 2020-2025 (%)
Food Purchased from Stores (Groceries)	4.8	100.0	4.8
Bakery Products	4.7	8.0	0.4
Eggs	6.0	2.0	0.1
Milk	3.5	3.0	0.1
Meat	5.2	17.0	0.9
Fresh Vegetables	4.6	8.0	0.4
Preserved Vegetables and Vegetable Preparations	5.2	3.0	0.1

Source: Manitoba Bureau of Statistics

1.2 WHY GROCERIES ARE BECOMING MORE EXPENSIVE

Grocery prices are shaped by a complex interaction of global economic forces, domestic supply chains, production costs, and market structures. While inflation and international disruptions have contributed significantly to rising food costs, concerns have also emerged regarding competition, market concentration, and the growing use of data-driven pricing technologies. Understanding these drivers is essential to identifying effective policy responses.

Market Concentration

A small number of large grocery companies have come to dominate Canada's grocery market. When fewer companies control more of the market, it can become harder for competition to keep prices down and give consumers real choice.

Independent grocers, local retailers, and new businesses often face significant barriers to entering and expanding in the market. When competition is limited, families can end up paying more, while local businesses have fewer opportunities to grow.

² CPI basket weights in this table are rescaled so that *Food Purchased from Stores* category equals 100 per cent. Sub-category weights reflect their proportional share within the grocery basket only. Weights do not sum to 100 as only select household food staples are included.

In Manitoba, big grocery chains dominate the grocery sector, with one company – Sobeys Inc – holding all the remaining competition-limiting property controls in the province.

While many of the biggest levers affecting grocery prices rest with the federal government, Manitoba is committed to using every lever available to us to increase competition, strengthen consumer protections, support local retailers, and help lower costs for families.

Global Factors

Food prices are increasingly influenced by events far beyond Manitoba's borders. In recent years, there has been significant inflationary pressures driven by global supply chain disruptions, geopolitical instability, and trade disputes. The COVID-19 pandemic exposed vulnerabilities in global logistics networks, while conflicts such as Russia's invasion of Ukraine and instability in the Middle East have disrupted energy, fertilizer, and commodity markets.

Energy prices play a particularly important role in food affordability. Fuel is required throughout the food system, from farm operations and food processing to transportation and retail distribution. Recent global conflicts have contributed to significant increases in oil and fuel prices, placing upward pressure on food costs throughout the supply chain. Recognizing the importance of transportation costs to households and businesses, Manitoba cut the gas tax for one year, then brought in a permanent gas tax cut of 12.5 cents per litre in 2025. As a result, Manitoba consistently has among the lowest gasoline prices in Canada, helping shield consumers and producers from some of the broader cost pressures affecting the food system.

Trade policies and tariffs have also increased costs and uncertainty for producers, processors, and consumers. At the same time, climate-related events including droughts, floods, wildfires, and extreme weather have disrupted agricultural production and transportation networks, creating additional volatility in food markets.

Looking ahead, upcoming negotiations related to the Canada-United States-Mexico Agreement (CUSMA) may create additional uncertainty for North American food and agricultural markets. While the outcome of these negotiations remains unknown, changes to trade rules, tariffs, or market access could affect food supply chains, agricultural producers, and food prices across Canada.

Manitoba's \$23.5 million investment in the Global Agriculture Technology Exchange (Gate) will strengthen capacity in this area, supporting grain producers and processors as they work to establish new international trading partners. Diversifying markets can help mitigate supply chain cost pressures resulting from geopolitical instability.

Production Costs

Farmers and food producers are facing higher costs for fuel, fertilizer, feed, equipment, and transportation, primarily due to global instability caused by conflicts in petroleum producing regions and from the uncertainty caused by the threat of tariffs. In Manitoba, fertilizer prices have risen by more than 40 per cent, while fuel costs have increased by 60-70 per cent, placing significant pressure on farm profitability. While many producers secured their fertilizer for the 2026 growing season ahead of recent disruptions, there are fears that producers will face more pressure towards farm profitability in the fall.

Conflicts surrounding the Strait of Hormuz and Ukraine have created a reduction of available supply of petroleum, fertilizer, and crops for the Eurasian and African markets. These products are unable to be produced due to destruction of facilities or unable to be shipped out of the region due to blockades. With these sources disrupted, there is more competition between countries to buy oil and crops from other sources, such as the EU, South America, Australia, and North America. With decreased quantities of multiple commodities to purchase on the global market, global commodities have seen their prices rise.

The implementation of tariffs, however temporary, has also put pressures on production costs. In 2025, both the United States and China placed tariffs on major Canadian agricultural exports. While the United States rescinded most of these tariffs two days later, and China has started to lessen their tariffs, these actions have resulted in a more volatile market for producers and processors in our province for agrifood products such as canola, peas, and pork. As a result, costs for producers and consumers are inflated. As part of normal business, producers, processors, and retailers must build hedges into contracts with U.S. and Chinese vendors. Many businesses are now choosing to spend slightly more in the interest of certainty, sourcing equipment from alternate vendors in the European Union or Asia, rather than sourcing from the United States.

These cost increases are often passed through the supply chain, affecting processors, distributors, retailers, and ultimately consumers. While commodity prices may fluctuate, rising input costs can contribute to sustained upward pressure on grocery prices.

1.3 GROCERY PRICES AND HOUSEHOLD INCOMES

Grocery affordability is shaped not only by food prices, but also by household incomes. Even when food prices rise, affordability can be maintained or improved if incomes increase at a similar pace. Conversely, affordability pressures can emerge when grocery prices outpace income growth.

To provide context for household grocery costs, this Manitoba Bureau of Statistics analysis compares grocery price growth with changes in minimum wages, median wages, and seniors' incomes between 2020 and 2025.

Income growth over this period was positive across all groups examined. By 2025, minimum wages had increased faster than grocery prices, helping improve affordability for many lower-income workers. Median wages and seniors' before-tax incomes also increased over the period. However, the gains were not evenly distributed, and grocery prices increased more quickly than median wages and seniors' incomes over the period as a whole. As a result, many households continue to experience pressure at the checkout line despite overall income growth.

1.4 HOUSEHOLD GROCERY COSTS

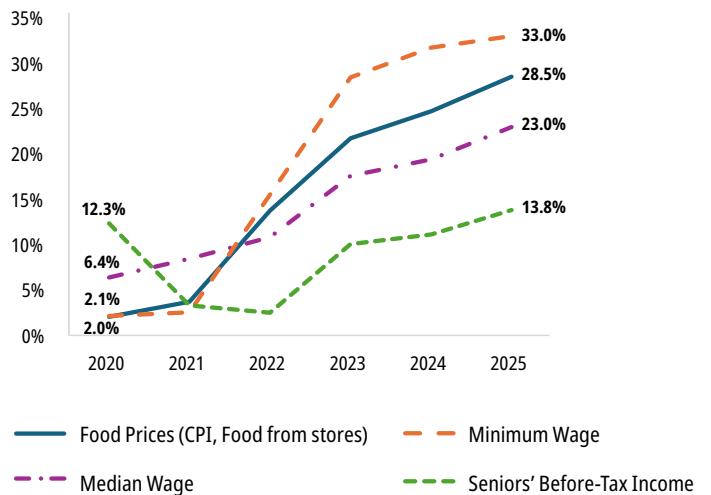
Rising food prices have translated into higher grocery bills for Manitoba families.

Using the Market Basket Measure (MBM), this study estimates that a reference four-person family in Manitoba required approximately \$9,099 to purchase groceries in 2020.

By 2025, grocery costs had increased to \$11,125. This represents a 22.3 per cent increase in grocery costs since 2020.

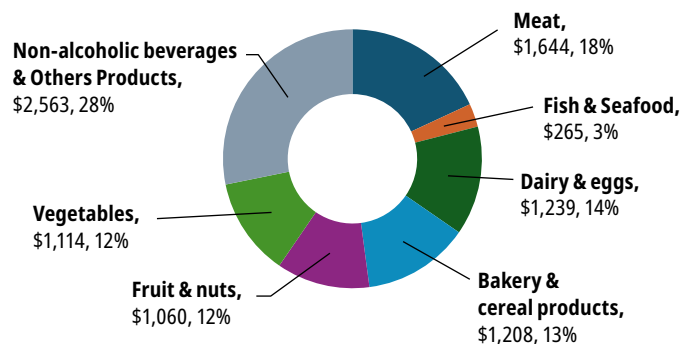
For many households, these increases represent one of the largest sustained increases in essential living costs during the post-pandemic period.

Figure 3.1 Cumulative Growth in Food Prices and Income Measures (2020-2025)



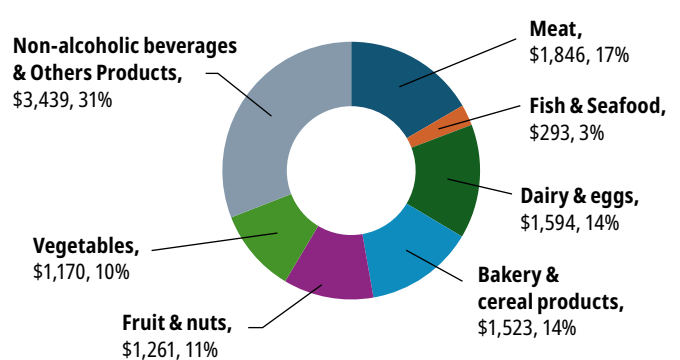
Source: Manitoba Bureau of Statistics

Estimated Grocery Costs by Major Food Category (2020)



Source: Manitoba Bureau of Statistics

Estimated Grocery Costs by Major Food Category (2025)



Source: Manitoba Bureau of Statistics

1.5 GROCERY AFFORDABILITY ACROSS HOUSEHOLD TYPES

The impacts of rising grocery prices are not felt equally across the population. Household composition, age, income, and reliance on income support programs can all influence grocery affordability.

This study assessed grocery affordability by comparing estimated grocery costs with after-tax household income across a range of household scenarios between 2020 and 2025.

Overall, groceries accounted for a relatively similar share of household income in 2025 compared to 2020. However, important differences emerged between household groups. The share of income spent on groceries declined slightly for some lower-income working households, while increasing modestly for seniors and median-income households.

Grocery Costs as a Share of After-Tax Household Income, 2020, 2025

Scenario	Family Size	Grocery Costs / After-Tax Income, 2020 (%)	Grocery Costs / After-Tax Income, 2025 (%)
1 Lower income	1	21.9%	19.9%
2 Lower income + 2 Dependents (child <6)	4	17.4%	16.5%
2 Lower income + 1 Dependent (child <6)	3	16.9%	15.8%
2 Lower income	2	15.7%	14.4%
1 Median + 1 Lower income + 2 Dependents (child <6)	4	14.5%	14.2%
1 Senior (65+)	1	13.7%	13.9%
1 Median	1	13.4%	13.6%
1 Median + 1 Lower income + 1 Dependent (child <6)	3	13.4%	13.2%
2 Median + 2 Dependents (child <6)	4	12.1%	12.3%
1 Median + 1 Lower income	2	11.8%	11.5%
2 Median + 1 Dependent (child <6)	3	11.0%	11.2%
2 Seniors	2	9.8%	9.9%
2 Median	2	9.5%	9.7%

Source: Manitoba Bureau of Statistics

1.6 MEASURING THE COST OF HEALTHY EATING

While inflation measures and household spending data provide important insights into food affordability, they do not necessarily indicate the cost of maintaining a healthy diet.

To better understand the affordability of healthy eating, Manitoba is supporting implementation of the Nutritious Food Basket (NFB), a survey tool developed by Health Canada that measures the cost of purchasing a nutritious diet for individuals of different ages and genders. The Manitoba Association of Home Economists is coordinating province-wide food costing activities through a steering committee that includes community organizations, researchers, regional health authorities, and government representatives. Beginning in 2027, food costing will be conducted every two years across all five regional health authorities.

The Nutritious Food Basket will provide an important benchmark for understanding the cost of healthy eating in Manitoba and may help inform future policy development, program planning, nutrition education initiatives, and emerging approaches that integrate healthy food access into health-care interventions.

1.7 GROCERY PRICE INFLATION FORECAST AND COSTS IN 2026

Food affordability pressures are expected to continue in the near term.

The Manitoba Bureau of Statistics forecasts grocery inflation to increase from 3.8 per cent to 5.5 per cent in 2026.

As a result, groceries are expected to cost the average four-person Manitoba family approximately \$11,741 in 2026, an increase of \$615 compared to 2025.

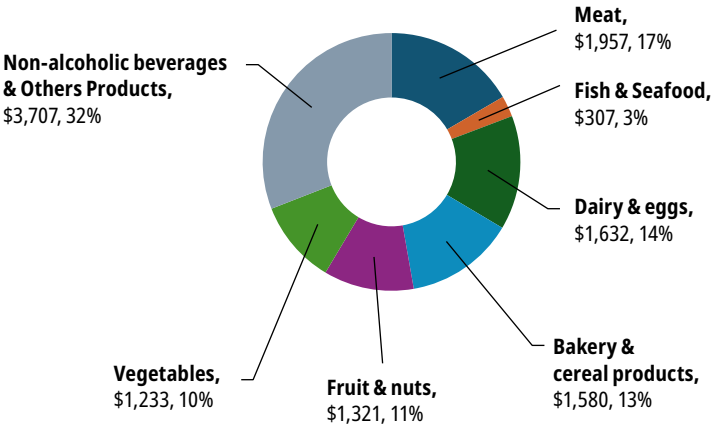
The forecast attributes part of this increase to higher transportation and production costs associated with rising global energy prices. Food categories that rely more heavily on transportation, processing, and energy inputs are expected to experience stronger price growth than others.

Food Category	2025 Average Annual CPI Per Cent Change (%)	2026 Forecast CPI Per Cent Change (%)	2025-2026 Difference (% pp)
Food Purchased from Stores (Groceries)	3.8	5.5	+1.7
Bakery Products	1.3	2.4	+1.1
Dairy Products and Eggs	1.7	2.4	+0.7
Fish, Seafood, and Other Marine Products	4.1	5.1	+1.0
Fruit, Fruit Preparations, and Nuts	5.1	4.8	-0.3
Meat	5.3	6.0	+0.7
Other Food Products and Non-Alcoholic Beverages ^{3,4}	5.4	7.8	+2.4
Vegetables and Vegetable Preparations	5.4	5.3	-0.1

Source: Manitoba Bureau of Statistics

The forecast suggests that while grocery inflation has moderated from the highest levels experienced during the post-pandemic period, food affordability will likely remain a significant concern for Manitoba households in the near term.

Estimated Grocery Costs by Major Food Category (2026)



Source: Manitoba Bureau of Statistics

3 Other Food Products and Non-Alcoholic Beverages is a catch all group for food items not included in other CPI food categories, such as oils, condiments, snack foods, sugar, coffee, tea, soft drinks, and bottled water.

4 While this report does not identify drivers of 2026 inflation within Other Food Products and Non-Alcoholic Beverages, historical patterns suggest that Coffee and Tea warrants attention, as this food item recorded the largest upward trend, increasing from -1.7% average annual inflation in 2020 to +20.7% in 2025.

PART II - WHERE GOVERNMENT CAN MAKE A DIFFERENCE

Chapter 2: Competition, Consumer Protection and Fair Pricing

Competitive markets and strong consumer protections are both essential to grocery affordability. Competition helps ensure retailers compete on price, service, and product selection, while consumer protection measures help ensure Manitobans are treated fairly when they shop for groceries.

Over the last several decades, the grocery sector has experienced significant consolidation, with a small number of large retailers accounting for a growing share of food sales. At the same time, new technologies are changing how retailers interact with consumers, collect information, and set prices. These developments have created both opportunities and challenges. Increased competition can help lower prices and improve consumer choice, while strong consumer protections can help ensure new technologies are used in ways that are transparent, fair, and consistent with Manitobans' expectations of privacy.

Governments have a range of tools available to address these issues. Some policies focus on improving competition and reducing barriers to market entry, while others focus on protecting consumers from unfair pricing practices, improving transparency, and ensuring grocery markets operate in the public interest. Together, these approaches can help create a grocery sector that is more competitive, transparent, and affordable.

2.1 THE ROLE OF COMPETITION IN GROCERY AFFORDABILITY

Competition is one of the most effective long-term tools for improving grocery affordability. When consumers have access to multiple retailers, businesses must compete on price, service, and selection. Greater competition can help lower costs, improve convenience, and encourage innovation, while limited competition can contribute to higher prices and fewer choices for consumers.

The Competition Bureau of Canada has identified grocery competition as an important factor in food affordability. In its 2023 Retail Grocery Market Study⁵, the Bureau concluded that increased competition in the grocery sector would benefit consumers through lower prices, greater convenience, and increased innovation. The Bureau also recommended that governments examine measures that improve market access, strengthen price transparency, and reduce barriers that prevent new retailers from entering the market.

5 <https://competition-bureau.canada.ca/sites/default/files/attachments/2023/CB-Retail-Grocery-Market-Study-Report-EN-2023-06-23.pdf>

The Bureau further identified standardized unit pricing and improved price comparison tools as measures that can help consumers make more informed purchasing decisions and encourage greater competition between retailers. As concerns about shrinkflation and pricing transparency have grown, Manitoba is examining legislation that would implement standardized unit pricing and provide consumers with clearer information when comparing products. Such measures could help consumers identify better value, improve price transparency, and make it easier to recognize when package sizes have been reduced without a corresponding reduction in price.

2.2 PROPERTY CONTROLS AND BARRIERS TO ENTRY

One of the most significant barriers to competition identified by the Competition Bureau of Canada is the use of restrictive property controls in the grocery sector. Property controls can limit where competing grocery stores are permitted to operate and may prevent new retailers from entering a market, even where consumer demand exists.

These restrictions generally take the form of restrictive covenants or exclusivity clauses that limit how commercial properties can be used. In practice, they can make it more difficult for independent grocers, co-operatives, and new market entrants to establish operations in a community.

In some cases, property controls may limit competition for years after a grocery store has closed or relocated, reducing opportunities for communities to attract new food retailers and improve local food access. Where property restrictions prevent new grocery stores from replacing closed or relocated stores, they may contribute to the development of food deserts and other gaps in food access, particularly in communities with limited retail options. Similar concerns have led jurisdictions such as New Zealand⁶ to introduce measures limiting the use of property controls.

Recognizing the importance of competition in addressing affordability, Manitoba passed Bill 31, The Property Controls for Grocery Stores and Supermarkets Act, in 2025. The legislation prohibits the creation of new grocery-related restrictive covenants and exclusivity clauses and established a process to review and strike down existing property controls.

Following passage of the legislation, 23 property controls were removed, however 43 were registered for review. These controls are all associated with Sobeys-affiliated properties and represent the remaining grocery property controls identified under the legislation.

6 <https://www.legislation.govt.nz/act/public/1986/5/en/latest/#LMS713157>

In April 2026, Manitoba initiated the first Municipal Board proceedings under the Act, challenging seven property controls across four locations in Winnipeg, Steinbach, and Brandon. The province has indicated its intention to review and challenge all remaining registered property controls. The Municipal Board will begin hearing these cases in summer 2026, marking the first test of the new framework and an important step toward increasing competition in Manitoba's grocery sector.

2.3 PREDATORY PRICING AND EMERGING TECHNOLOGIES

Technology is changing how retailers set prices and interact with consumers. Loyalty programs, mobile applications, electronic shelf labels, artificial intelligence, and increasingly sophisticated consumer analytics allow retailers to collect unprecedented amounts of information about how, when, and where people shop.

Historically, every customer entering a grocery store would see the same price for the same product. Emerging technologies are creating the possibility that prices could be adjusted based on a consumer's purchasing history, shopping behaviour, location, personal characteristics, or other data collected about them. As these technologies become more sophisticated, governments are increasingly examining how to ensure consumers are protected from unfair or discriminatory pricing practices.

One area receiving growing attention is predatory pricing practices such as surveillance pricing and algorithmic pricing. Surveillance pricing refers to the use of personal information about an individual consumer to determine the price they are offered for a product. This information may be collected through loyalty programs, online accounts, mobile applications, purchasing histories, location data, or other forms of consumer tracking. Personalized algorithmic pricing refers to the use of algorithms or automated systems to set, recommend or adjust prices recommend, or vary prices for goods or services based on data inputs. When algorithmic pricing uses personal or behavioural data to offer different prices to different consumers for the same product, it may also be described as personalized pricing or surveillance pricing.

Loyalty programs have also become an increasingly important component of grocery retailing. These programs can provide consumers with discounts, rewards, and personalized offers, but they also raise questions about transparency, data ownership, and the treatment of accumulated consumer benefits. As grocery retailers rely more heavily on loyalty programs to collect consumer data and influence purchasing behaviour, some jurisdictions have begun examining whether additional protections are needed to ensure consumers privacy is protected and that they can retain access to earned rewards and benefits.

Several Canadian jurisdictions have recognized that rewards earned by consumers represent a form of value that should be protected. Quebec and Ontario require retailers to disclose the terms and conditions of loyalty programs and generally prohibit the expiry of accumulated rewards or points. New Brunswick has explored similar reforms. The limited number of jurisdictions with dedicated loyalty program protections illustrates that this remains an emerging area of consumer protection policy.

Consumer advocates have also raised concerns about the future use of technologies such as facial recognition systems, in-store tracking tools, and artificial intelligence-driven consumer profiling. While these technologies are not widely used for grocery pricing today, they illustrate how advances in data collection and analytics could fundamentally change the relationship between consumers and retailers if appropriate safeguards are not in place.

The growing use of electronic shelf labels has further accelerated these discussions by creating the ability to adjust prices in real time across thousands of products simultaneously.

The Competition Bureau's Algorithmic Pricing and Competition consultation⁷ identified concerns related to price transparency, discrimination, privacy, consumer data collection, and the potential impact of algorithmic pricing on affordability. At the same time, stakeholders noted that pricing technologies can improve efficiency and help businesses respond more quickly to changing market conditions. The challenge for governments is finding the right balance between innovation and consumer protection.

2.4 TRANSPARENCY AND CONSUMER CHOICE

Consumers rely on clear information to compare prices and make informed purchasing decisions. However, practices such as shrinkflation, inconsistent package sizing, complex promotional pricing, and limited price comparability can make it difficult for consumers to understand the true cost of products.

Shrinkflation occurs when the size, weight, or quantity of a product is reduced while the price remains the same or increases. While consumers may notice price increases at the checkout, reductions in package size can be more difficult to identify, making it challenging to compare value over time.

7 <https://competition-bureau.canada.ca/en/how-we-foster-competition/education-and-outreach/publications/consultation-algorithmic-pricing-and-competition-what-we-heard>

The Competition Bureau's Retail Grocery Market Study⁸ identified standardized unit pricing as one way to improve transparency and competition. Unit pricing allows consumers to compare products using a common measure, such as price per kilogram or price per litre, regardless of package size. By displaying a standardized price alongside the shelf price, unit pricing can help consumers identify better value, compare competing products more easily, and recognize when shrinkflation has occurred.

Many jurisdictions around the world have adopted unit pricing requirements, including Quebec⁹, the European Union¹⁰, Australia¹¹, New Zealand¹², and the United Kingdom. Recognizing the benefits of greater transparency, Manitoba will introduce legislation to establish standardized unit pricing requirements and help consumers identify the best value at the checkout. The initiative is also intended to help consumers better recognize when shrinkflation occurs and make more informed purchasing decisions.

Consumer advocates have also raised questions about how retailers manage products approaching their best-before dates. While many retailers voluntarily discount near-expiry food, practices vary considerably across the sector. Improved transparency and more consistent approaches to near-expiry pricing may help reduce food waste while improving affordability for consumers.

The grocery sector has undertaken initiatives to improve transparency within supply chains. Manitoba supported the establishment of the Grocery Code of Conduct Adjudication Office in 2025. While the Grocery Code of Conduct is not expected to directly lower prices, it is intended to create a fairer and more predictable marketplace for suppliers, processors, distributors, independent retailers, and large grocery chains alike.

8 <https://competition-bureau.canada.ca/sites/default/files/attachments/2023/CB-Retail-Grocery-Market-Study-Report-EN-2023-06-23.pdf>

9 <https://ised-isde.canada.ca/site/office-consumer-affairs/en/modern-marketplace/comparing-food-prices-unit-pricing#s6>
<https://www.opc.gouv.qc.ca/en/consumer/topic/price-discount/store/>

10 https://commission.europa.eu/law/law-topic/consumer-protection-law/unfair-commercial-practices-and-price-indication/price-indication-directive_en

11 Australian Competition and Consumer Commission's guide to unit pricing for grocery retailers: <https://www.accc.gov.au/about-us/publications/a-guide-to-unit-pricing-for-grocery-retailers>

12 Commerce Commission New Zealand's Unit Pricing Regulations – a guide for grocery retailers: https://www.comcom.govt.nz/assets/pdf_file/0024/347154/Unit-pricing-regulations-a-guide-for-grocery-retailers-Guideline-March-2024.pdf

2.5 MANITOBA'S ACTIONS

Strengthening Competition

Manitoba has taken steps to strengthen competition within the grocery sector by removing barriers that can limit consumer choice and discourage new market entrants. Through Bill 31, The Property Controls for Grocery Stores and Supermarkets Act, Manitoba prohibited new grocery-related property controls and established a public-interest review process for existing restrictions. By removing barriers to entry, the legislation helps make grocery development possible in locations where new stores may previously have been restricted.

In April 2026, Manitoba brought its first cases to the Municipal Board under the legislation, challenging seven property controls across four locations in Winnipeg, Steinbach, and Brandon. These cases represent the first use of the province's new enforcement framework.

The province intends to refer all remaining registered grocery property controls. This approach reflects Manitoba's broader objective of increasing competition, encouraging new market entrants, and expanding consumer choice in communities across the province.

Protecting Consumers

Manitoba has also taken steps to strengthen consumer protections and improve grocery affordability. These actions are designed to address three related challenges: ensuring consumers are treated fairly, improving transparency so shoppers can make informed choices, and providing targeted relief where government can directly influence costs.

To address concerns related to surveillance pricing and the growing use of consumer data in retail pricing decisions, Manitoba passed Bill 49, The Business Practices Amendment Act. The legislation deems it an unfair business practice for retailers to charge consumers higher prices than others for the same goods based on personalized algorithmic pricing. Bill 49, which received Royal Assent on June 1, 2026, comes into effect on July 1, 2026. Government will continue engagement with industry, stakeholders, and consumers in the coming months to determine future regulatory changes, given the rapid evolution of the use of technology in this space.

Manitoba is also pursuing measures that improve price transparency. Standardized unit pricing requirements would allow consumers to compare products using a common measure, such as price per litre or price per kilogram, making it easier to identify the best value and compare products across brands and package sizes.

Recognizing that consumer data increasingly influences how prices are set, the province is also exploring updates to privacy legislation that would strengthen protections related to the collection, use, storage, and disclosure of personal information by private-sector organizations. Future reforms could include additional safeguards related to artificial intelligence, consumer profiling, and data-driven marketing practices.

Direct Affordability Measures

While competition and consumer protection are important long-term tools, Manitoba has also taken direct action to help lower costs for families and improve affordability.

In Budget 2026, Manitoba announced the expansion of the retail sales tax exemption to remove the PST from all food sold in grocery stores, including prepared and ready to eat foods like rotisserie chickens, soups and sandwiches, baked goods, and snack foods. This builds on Manitoba's existing exemption for basic groceries and will provide direct savings to consumers at the checkout beginning July 1, 2026.

Manitoba has also taken direct action to reduce grocery costs by freezing the price of a one litre carton of milk and introducing the first universal school nutrition program in Canada to improve access to healthy food for children and families.

The Province is developing options to allow renters to receive the Renters Affordability Tax Credit sooner. Rather than waiting until filing an income tax return the following year, eligible renters would receive support more quickly, helping households manage rising living costs and improving affordability throughout the year.

Additional affordability measures introduced through Budget 2026 include increasing the Homeowners Affordability Tax Credit to provide up to \$1,700 in school tax savings, expanding access to free childcare for families who need it most, supporting \$10-a-day childcare, and introducing free transit for youth. Together, these measures help reduce pressure on household budgets and leave families with more money available for essential expenses, including food.

While no single measure can address every affordability challenge, these actions demonstrate that governments have tools available to lower costs directly, strengthen consumer protections, and improve food affordability by reducing pressure on household budgets.

2.6 FUTURE OPPORTUNITIES

Potential policy options identified through this study include:

Competition and Market Access

- Support for independent retailers, co-operatives, and community-owned grocery stores.

Consumer Protection and Transparency

- Restrictions or prohibitions on the use of facial recognition technology, biometric information, and other forms of consumer surveillance in retail pricing decisions.
- Restrictions on the use of electronic shelf labels and artificial intelligence systems to facilitate personalized pricing.
- Requirements for retailers to disclose when consumer data is being used to influence pricing, promotions, or product recommendations.
- Greater oversight of loyalty programs and the use of consumer purchasing data.
- Requirements for clearer disclosure when product sizes are reduced without a corresponding price reduction.
- Additional transparency measures related to grocery pricing.

The grocery marketplace is changing rapidly. Ensuring Manitobans benefit from both healthy competition and strong consumer protections will be an important part of maintaining affordability, transparency, and public confidence in the years ahead.

PART III - BUILDING A STRONGER FOOD SYSTEM

Chapter 3: Food Production, Distribution and Supply Chains

Grocery affordability begins long before food reaches a store shelf. Farmers, processors, distributors, transportation providers, wholesalers, and retailers all play a role in determining the final price paid by consumers. Recent increases in grocery prices have highlighted the complexity of modern food supply chains and the many factors that can influence food costs.

Research conducted as part of Manitoba's Grocery Price Study found that grocery price inflation has been driven by a combination of domestic and international factors, including rising input costs, supply chain disruptions, climate-related impacts on food production, transportation costs, exchange rate fluctuations, and broader market dynamics. While many of these factors are beyond the direct control of governments, investments that strengthen Manitoba's food production, processing, and distribution systems can help improve resilience, support local economic development, and contribute to a more stable food supply over the long term.

3.1 PRODUCTION COSTS

Food affordability begins with food production. Farmers face a range of costs associated with producing crops and livestock, including fuel, fertilizer, feed, equipment, financing, and transportation. In recent years, these costs have increased significantly due to global supply chain disruptions, geopolitical instability, inflationary pressures, and climate-related challenges.

Rising global inflation and supply chain disruptions led to significant increases in agricultural input costs between 2020 and 2024. In Manitoba, farm operating expenses increased by approximately 37 per cent over the same period, with some of the largest increases occurring in fuel, fertilizer, and feed. Because these inputs are required throughout the food production system, increases in production costs can ultimately contribute to higher food prices for consumers.

Manitoba's geography also contributes to food system costs. Distance from major agricultural and manufacturing hubs can increase transportation expenses, while higher fuel prices continue to raise trucking, distribution, and logistics costs throughout the supply chain.

Governments can influence production costs through policies that support producers and long-term sector stability. In 2025, Manitoba extended a freeze on Agricultural Crown Lands forage lease rates into the 2026 growing season, maintaining the lowest Agricultural Crown Lands rental rate in Western Canada. The program supports approximately 1,750 leaseholders who rely on Crown lands for grazing, haying, and cropping activities. Measures that improve cost certainty for producers can help support the long-term sustainability of Manitoba's agricultural sector and reduce additional cost pressures within the food supply chain.

Access to services and supports can also affect farm productivity and operating costs. In 2025, Manitoba reopened Manitoba Agricultural Services Corporation (MASC) service centres in Shoal Lake and Virden to improve access to insurance and risk management programs for producers. By bringing services closer to producers, these offices help reduce travel time, improve access to technical support, and allow farmers to spend more time on their operations.

Manitoba supports agricultural producers through a range of Business Risk Management programs designed to help producers manage risks associated with weather events, disease outbreaks, market disruptions, and other factors beyond their control. These programs help support the long-term sustainability of Manitoba's agricultural sector and contribute to a more stable food supply.

3.2 PROCESSING CAPACITY

Food processing plays an important role in transforming agricultural products into food products that can be sold, transported, stored, and consumed. Processing can extend shelf life, reduce food waste, create value-added products, and support local employment and economic development.

Food and beverage processing is Manitoba's largest manufacturing sector, accounting for approximately \$9.5 billion in output and 35 per cent of total manufacturing production in 2025. The sector includes more than 380 food businesses, the vast majority of which are small enterprises with fewer than 100 employees. As a result, food processing represents an important source of employment, economic activity, and value-added growth across the province.

Processing infrastructure can play an important role in food recovery. Surplus agricultural products, donated food, and products that might otherwise be wasted can be transformed into shelf-stable or value-added foods, creating opportunities to reduce waste while increasing food availability and supporting community economic development initiatives.

Manitoba has invested in food innovation and processing through the Food Development Centre (FDC), which provides expertise, product development services, and pilot-scale processing capacity. Strengthening food transformation capacity presents opportunities to improve food security, reduce food waste, and create new economic opportunities throughout the food system.

Greater collaboration between Harvest Manitoba, the Food Development Centre, and private-sector processors can help make better use of existing infrastructure and expertise while strengthening connections between agriculture, food manufacturing, and community food programs.

Private-sector investment also continues to support Manitoba's food production ecosystem. For example, Bayer is investing more than \$45 million in a new canola research and development facility in Winnipeg, supporting innovation within one of Manitoba's most significant agricultural sectors.

3.3 DISTRIBUTION AND LOGISTICS

Once food is produced and processed, it must be transported through a network of distributors, warehouses, wholesalers, and retailers before reaching consumers. Transportation and logistics costs can have a significant impact on food prices, particularly in a geographically large province such as Manitoba.

The Manitoba Bureau of Statistics identified transportation costs and supply chain disruptions as important contributors to grocery price inflation between 2020 and 2025. Global supply chain shortages, higher fuel costs, and disruptions to international trade routes increased costs throughout food supply chains and contributed to higher prices for consumers. The implementation of tariff and counter-tariffs in 2025 by border agencies in the United States and Canada caused delays at border crossings as tariff implementation rules were clarified and refined. The unresolved threat of tariffs has added burdens and delays to shipping products across the border, resulting in higher prices. Climate-related events and extreme weather can also affect transportation networks and the movement of food products.

3.4 PUBLIC PROCUREMENT AND INSTITUTIONAL PURCHASING

Public institutions purchase significant quantities of food every year through schools, hospitals, personal care homes, correctional facilities, and other publicly funded facilities. As a result, government purchasing decisions can have a meaningful impact on food affordability, local economic development, and the strength of Manitoba's food system.

The Purchasing Power of Public Institutions

Government and publicly funded institutions are among the largest purchasers of food in Manitoba. Every year, schools, hospitals, personal care homes, correctional facilities, and other publicly funded organizations purchase significant quantities of food to serve Manitobans.

Public institutions collectively purchase over \$120 million worth of food annually. This purchasing power represents a significant opportunity to support Manitoba producers, strengthen regional food systems, and increase the amount of Manitoba-grown food served in public institutions.

Sector	Annual Food Purchases
Health (Hospitals, Personal Care Homes and Community Health Services)	\$78 million
Correctional Facilities	\$11 million
School Nutrition and Education Programs	\$30 million
Other Government Facilities and Programs	\$1 million
Total	\$120 million

These expenditures illustrate the scale of public-sector purchasing in Manitoba. By leveraging this purchasing power strategically, governments can help create stable markets for Manitoba farmers, food processors, and distributors while improving food security and strengthening local supply chains.

Public procurement can also support broader policy objectives, including increasing access to healthy food, supporting regional economic development, reducing supply chain vulnerabilities, and keeping more food dollars circulating within Manitoba communities.

Supporting Manitoba Producers Through Procurement

Public procurement can help create stable and predictable markets for Manitoba farmers, food processors, and distributors.

When institutions purchase food locally, more food dollars remain in Manitoba communities, supporting employment, investment, and economic activity throughout the supply chain. Local procurement can also reduce transportation distances, strengthen regional food networks, and improve resilience during supply chain disruptions.

Recent Buy Canadian and Buy Manitoba initiatives have highlighted the important role public purchasing can play in supporting domestic and provincial supply chains. By prioritizing Canadian and Manitoba suppliers where appropriate, the government of Manitoba can help strengthen local markets while ensuring public dollars generate economic benefits across the province.

Connecting Producers and Institutions

One challenge facing many local producers is accessing procurement opportunities at the scale required by large institutions.

Community food hubs, aggregation systems, and regional distribution networks may help bridge this gap by combining products from multiple producers and creating a single point of access for institutional buyers.

These models can help schools, hospitals, personal care homes, correctional facilities, and other institutions purchase Manitoba-grown food while creating new market opportunities for smaller and medium-sized producers.

Food in Schools

Schools represent a significant opportunity to strengthen local food systems while improving student nutrition.

The introduction of Manitoba's Universal School Nutrition Program creates opportunities to increase the use of Manitoba-grown and Manitoba-produced food in school meal and snack programs while building stronger connections between local producers and public institutions.

In 2026/27, Manitoba's Universal School Nutrition Program will provide more than \$36 million in combined provincial and federal funding to school divisions and community organizations across the province, including approximately \$30 million in provincial funding. The program reaches students in urban, rural, and northern communities, creating opportunities to improve access to healthy food while supporting stronger connections between schools and local food suppliers.

The program has grown significantly in recent years. During the 2024/25 school year, an average of 93,431 students accessed school food programs each day, a 51 per cent increase from the previous year. More than 30 million meals and snacks were provided to students across Manitoba, with programs operating in 632 public schools. Snack programs were available in 580 schools, breakfast programs in 433 schools, and the number of schools offering lunch programs increased by 50 per cent year over year.

Manitoba's school nutrition program is guided by principles that promote healthy food choices, universal access, cultural inclusion, and partnerships with local food suppliers. Schools are encouraged to follow Canada's nutritional guidelines, accommodate dietary and cultural needs, explore local food options, and remove barriers that may prevent students from accessing healthy food.

Schools can also play an important role in helping young people develop lifelong food skills. Expanding nutrition, budgeting, cooking, gardening, and food preservation education can help students make informed food choices, build practical life skills, reduce food waste, and develop a greater understanding of Manitoba's food system.

As the program continues to grow, there may be opportunities to strengthen nutrition standards, increase the use of Manitoba-produced food, expand food literacy education, and develop procurement approaches that better connect local producers with schools across the province.

Food in Hospitals, Personal Care Homes, and other Health Care Facilities

Health-care facilities purchase large volumes of food every year and can play an important role in supporting local food systems.

Hospitals, personal care homes, and community health services collectively account for more than \$78 million in annual food purchases. These institutions provide opportunities to strengthen Manitoba food procurement while improving patient and resident experiences.

Food quality is an important part of quality of life for personal care home residents. Manitoba Health, Seniors and Long-Term Care currently evaluate food services as part of its Personal Care Home standards review process. Reviews examine menu planning, nutrition, resident choice, meal assistance, food safety, and opportunities for resident and family input.

The province is modernizing these standards and proposing that food services become a core review standard, ensuring food quality receives enhanced attention during every review.

Budget 2026 includes a \$5 million investment to improve food quality in personal care homes, with a focus on nutrition, meal choice, and the overall dining experience.

Opportunities for Future Action

Several jurisdictions have established local food procurement targets to increase the amount of regionally produced food purchased by public institutions.

Potential opportunities identified through this study include:

- Expanding Manitoba food procurement within public institutions.
- Supporting food hubs and aggregation systems that connect producers to institutional buyers.
- Increasing participation by Manitoba producers and processors in public procurement opportunities.
- Exploring local food procurement through minimum purchasing percentage, beginning with the School Nutrition Program and expanding to hospitals and the justice system, informed by successful international models.
- Strengthening regional food distribution networks.
- Improving connections between public institutions and Manitoba food producers.

Chapter 4: Strengthening Food Access and Community Food Systems

Food affordability is about more than the price displayed on a grocery shelf. Even when food is available, many Manitobans face barriers that make it difficult to access healthy, affordable, and culturally appropriate food. Geography, transportation challenges, market concentration, community infrastructure, and the availability of local food retailers all influence whether families can reliably access the food they need.

These challenges are particularly acute in northern, remote, and rural communities, where limited retail options and higher transportation costs can contribute to higher food prices and reduced consumer choice. In some communities, residents face food deserts, where access to grocery stores is limited, or food mirages, where food may be physically available but remains financially out of reach.

At the same time, communities across Manitoba are developing innovative approaches to strengthen local food systems and improve food access. Community food hubs, co-operative grocery stores, mobile markets, food rescue initiatives, Indigenous-led food systems, and local procurement models are helping connect people with affordable food while supporting local economic development and community resilience.

Maintaining access to grocery stores is also an emerging challenge. Across rural Manitoba, many independent grocery store owners are approaching retirement, creating uncertainty about the future of these essential community services. Supporting succession planning, community ownership models, and alternative retail approaches can help preserve food access, maintain competition, and ensure communities continue to have reliable access to groceries close to home.

Food security is supported by five interconnected pillars that ensure everyone has consistent access to sufficient, safe, and nutritious food:

1. **Availability:** enough food is produced or brought in (for example, from local farms or through broader supply chains) so everyone has enough to eat.
2. **Access:** food is physically available to people in their community when they need it, and they can afford to buy the food they need without hardship.
3. **Utilization:** the food is safe, nutritious and people have the ability to prepare and eat it properly.
4. **Stability:** these conditions hold steady over time. The food supply and access aren't disrupted by events like price spikes or disasters.
5. **Agency:** people have control over their food choices and can influence food systems (for example, being able to choose culturally appropriate foods or help shape food policies).

4.1 FOOD DESERTS AND FOOD MIRAGES

Access to affordable food is not evenly distributed across Manitoba. While most Manitobans live within reasonable distance of a grocery store, some communities face barriers that make it difficult to access healthy, affordable, and nutritious food on a regular basis.

A food desert is a community where residents have limited physical access to grocery stores or other sources of healthy food. This challenge can be particularly acute in rural, remote, and underserved urban areas where transportation options may be limited. A food mirage occurs when food is physically available but remains financially out of reach for many households due to high prices, low incomes, or other affordability barriers.

Evidence suggests that between nine and 15 per cent of Winnipeg residents live in neighbourhoods that experience characteristics consistent with food deserts. Even in areas where grocery stores are present, affordability pressures can create food mirage conditions, limiting access to nutritious food for lower-income households. These challenges can contribute to poorer health outcomes, increased food insecurity, and greater financial pressure on families already struggling with the rising cost of living.

Food deserts are not static, and changing demographics, population growth, and new development can create opportunities to improve food access. Market studies and community needs assessments can help identify areas where additional grocery capacity may be needed and where new stores, independent retailers, or alternative models could improve access to healthy food.

Stakeholders and community organizations have consistently identified access to an affordable full-service grocery store as a priority for downtown Winnipeg. Affordability and access to healthy food have emerged as recurring themes, with emphasis placed on the need for grocery options that are convenient, affordable, and responsive to the needs of local residents.

These discussions have highlighted that existing options are not always perceived as accessible or affordable for all households. Opportunities exist to strengthen food access in downtown Winnipeg through additional grocery capacity, community-based retail models, and other locally driven solutions. Manitoba's investments in downtown Winnipeg, including the Portage Place redevelopment and Wehwehneh Bahgahkinahgoohn are helping to bring people downtown and create the business case for a new full-service grocery store in Winnipeg's core.

Investments in community food hubs, mobile markets, community gardens, indoor food production, and other local food initiatives can also help improve access while strengthening local food systems. Community engagement in the design process is critical to ensuring these initiatives reflect local priorities and remain sustainable over the long term.

Long-term success also requires stable operational funding, capacity building, and local leadership development in addition to capital investments. Communities that are supported to build and maintain local food systems are often better positioned to improve food security, strengthen community resilience, and reduce barriers to accessing healthy food.

4.2 NORTHERN AND REMOTE FOOD ACCESS

Food affordability challenges are often more acute in northern and remote communities, where geography, transportation costs, and limited retail competition can contribute to significantly higher food prices. Many communities rely on long and complex supply chains that can be affected by seasonal transportation routes, weather conditions, fuel costs, and infrastructure limitations. These factors can increase the cost of getting food to communities and, ultimately, the price paid by consumers.

Higher transportation costs can have a disproportionate impact on nutritious and perishable foods such as fresh fruits and vegetables, dairy products, and infant formula. In communities with limited retail options, residents may also have fewer opportunities to comparison shop or access lower-cost alternatives. As a result, food affordability remains a significant challenge in many northern and remote regions.

Stakeholders also identified opportunities to strengthen local food production in northern communities. Greenhouse projects, indoor growing systems, and other community-based food production initiatives may help reduce reliance on imported food, increase access to fresh produce, and improve long-term food security in remote regions. Recent federal initiatives have recognized the importance of strengthening domestic food production, including measures to support greenhouse development and commitments to enhance food security in northern and remote communities.

There may be opportunities for Manitoba to build on these efforts through partnerships with northern communities, Indigenous governments, producers, and community organizations to support local food production and improve long-term food security.

Governments have implemented a variety of programs to help offset these challenges. At the federal level, Nutrition North Canada provides subsidies for eligible food items in many remote communities. Manitoba also supports food affordability through the Affordable Food in Remote Manitoba (AFFIRM) program, which provides a retail subsidy for milk, infant formula, and fresh fruits and vegetables in northern communities that are not eligible for Nutrition North. Through AFFIRM, participating retailers receive a subsidy of \$1.20 per kilogram for eligible foods and are required to pass the full benefit on to consumers.

Northern food security initiatives that combine food access, nutrition education, local food production, and community capacity building may provide additional opportunities to improve affordability and strengthen food systems in remote communities.

4.3 INDIGENOUS FOOD SYSTEMS

Indigenous communities across Manitoba are leading innovative approaches to strengthen local food systems, improve food security, and increase community self-sufficiency. These approaches are often rooted in local priorities, cultural practices, and community-led decision making, recognizing that solutions must reflect the unique needs, geography, and traditions of each community.

Indigenous food systems can incorporate both traditional and contemporary approaches to food production, harvesting, distribution, and consumption. This may include community gardens, harvester programs, indoor growing systems, food hubs, bison production, and the use of new technologies to support food production and distribution. These initiatives can improve access to healthy and culturally appropriate food while creating opportunities for skills development, youth engagement, and local economic activity.

Supporting Indigenous-led food systems can also help address some of the unique food security challenges faced by northern, remote, and First Nations communities. Community-based food systems can reduce reliance on long supply chains, improve local resilience, and strengthen food sovereignty by increasing local control over how food is produced, distributed, and accessed.

Manitoba has supported a range of Indigenous-led food system initiatives and is exploring additional partnership opportunities with Indigenous communities, Indigenous Services Canada, Assiniboine Community College, and other organizations. Current discussions include opportunities to support community-led food hubs and co-operative models in communities like Swan Lake First Nation, while exploring ways to better align funding programs and maximize the impact of investments in local food systems.

As with other community food system initiatives, long-term success depends on sustained investment, local leadership, and community ownership. Indigenous-led approaches demonstrate how food security, economic development, cultural revitalization, and community well-being can be advanced together through locally driven solutions.

4.4 ALTERNATIVE RETAIL MODELS AND COMMUNITY FOOD ACCESS

Traditional grocery stores remain the primary source of food for most Manitobans, but they are not the only way communities access healthy and affordable food. Across the province, organizations, communities, and local partners have developed alternative retail and distribution models that help address food insecurity, improve access to healthy food, and strengthen local food systems. These approaches can be particularly effective in underserved communities, neighbourhoods experiencing food desert conditions, and areas where transportation or affordability barriers limit access to traditional grocery retail options.

Community Food Hubs

Community food hubs bring together food production, aggregation, processing, distribution, education, and retail functions in a single community-based model. By connecting local producers with consumers, food hubs can strengthen regional food systems, support local economic development, and improve access to healthy food. Food hubs may also create opportunities for local procurement, food entrepreneurship, skills development, and community-led economic development. Manitoba will continue working with existing community organizations, cooperatives and organizations such as Fireweed Food Co-op to explore innovative solutions for Manitobans.

Co-operative Grocery Models

Co-operative grocery stores provide communities with an alternative ownership model that prioritizes local decision-making and community benefit. Because co-operatives are owned and governed by their members, they can help preserve food access in communities where traditional grocery models may struggle to remain viable.

Unlike conventional retailers, co-operatives are designed to reinvest in the communities they serve. Their community-based ownership structure can help strengthen local economies, support food security, and ensure that decisions about grocery access are guided by the needs of residents. In many communities, co-operatives have demonstrated that locally driven solutions can play an important role in maintaining essential services and building resilient food systems.

Successful co-operatives often require access to workforce development, business planning, and operational support. Existing programs such as the Building Up Manitoba Program, Manitoba Tourism Education Council training initiatives, wage subsidy programs, and partnerships with educational institutions could help strengthen workforce capacity and support community-owned grocery models.

Long-term success for co-operative grocery models often depends on access to specialized technical assistance, governance support, business planning resources, and financing tools. Dedicated co-operative development capacity can help communities navigate the unique challenges associated with establishing and operating community-owned retail businesses.

Mobile Markets and Food Currency Programs

Mobile food markets bring healthy food directly into underserved neighbourhoods and communities, helping reduce transportation barriers and improve access to fresh foods. Organizations such as Fireweed Food Co-op, Aki Foods, and the West Broadway Good Food Club have demonstrated how community-based distribution models can connect residents with affordable food options.

Manitoba also supports innovative approaches that strengthen local food markets while improving affordability. Through investments the Food Currency Program run by Direct Farm Manitoba helps connect underserved community members with fresh, healthy, and locally produced food while creating new market opportunities for Manitoba producers. By supporting both food access and local agriculture, the program demonstrates how affordability and economic development objectives can be advanced together.

Public and Community-Owned Grocery Models

Some jurisdictions have explored public, municipal, Indigenous-owned, or community-owned grocery stores as a way to maintain food access in underserved communities where traditional market models have struggled to remain viable. These models are generally intended to complement, rather than replace, private grocery retailers and may be considered where communities face persistent food access challenges, limited competition, or the loss of essential grocery services.

Interest in public grocery models has grown in recent years as communities across North America have faced grocery store closures, increasing market concentration, and ongoing challenges attracting private investment in underserved areas. Recent examples include initiatives in Toronto, New York City, and Kansas City, where governments and community organizations have explored alternative ownership structures to address food access challenges and improve grocery availability.

While public ownership models vary significantly, they share a common objective: ensuring communities maintain reliable access to affordable and nutritious food. These approaches may be particularly relevant in remote, northern, and underserved communities where traditional retail options are limited.

Public or community-supported grocery models give government the ability to leverage existing public infrastructure, reduce barriers to market entry, and maintain services in communities that may not be large enough to support traditional commercial grocery operations. Governments and public institutions often have access to land, buildings, transportation assets, procurement systems, and administrative capacity that could support alternative retail approaches.

Some models also separate ownership of major capital assets from grocery operations. Under this approach, a public, Indigenous, or community organization may own a building or facility while day-to-day grocery operations are managed independently. This can reduce debt burdens and capital costs for operators in what is typically a low-margin industry. Lessons from community-owned grocery initiatives suggest that access to affordable facilities, wholesale buying groups, and distribution networks may be as important to long-term success as the ownership model itself.

Grocery retail requires specialized expertise in procurement, inventory management, logistics, food safety, and workforce management. Any public ownership model would need to carefully consider financial sustainability, governance, and potential impacts on existing private retailers.

Given Manitoba's large geography and diverse communities, public grocery models may be most feasible when targeted toward specific service gaps, underserved regions, or communities that have lost grocery access, rather than as a province-wide retail strategy.

Pilot projects may provide opportunities to evaluate community-owned grocery models in Manitoba communities facing persistent food access challenges. These initiatives can help assess the operational, financial, and governance considerations associated with alternative retail approaches before broader implementation is considered.

Food Rescue and Redistribution

Food rescue initiatives provide an opportunity to improve food access while reducing waste. Programs such as Brandon Food Rescue and partnerships with organizations like the Leftovers Foundation help redirect surplus food from grocery stores, restaurants, and other businesses to individuals and organizations that can use it.

These models reduce food waste, improve access to nutritious food, strengthen community partnerships, and maximize the value of food that would otherwise be discarded. As Manitoba reviews food donation legislation and food safety regulations, additional opportunities may exist to expand safe food recovery and redistribution efforts across the province.

Successful food rescue models may also provide opportunities for replication in other communities where food insecurity and food waste coexist.

Home-Based Food Production and Entrepreneurship

Emerging opportunities also exist to support home-based food production and small-scale food entrepreneurship. Modernizing regulations for low-risk food products could create new opportunities for Manitobans to prepare and sell eligible foods from home, supporting household income, local entrepreneurship, and community-based food systems while expanding access to affordable food options.

Together, these alternative retail models demonstrate that improving food access requires a range of solutions. While traditional grocery stores remain essential, community-led approaches can complement existing food systems, improve resilience, and help ensure Manitobans have reliable access to healthy and affordable food.

4.5 KEEPING GROCERY STORES IN COMMUNITIES

Keeping grocery stores in communities is an important part of keeping food affordable and accessible for Manitobans. Across rural Manitoba, many independently owned grocery stores are approaching ownership transitions as long-time owners prepare for retirement. According to the Canadian Federation of Independent Business, 76 per cent of Canadian small business owners plan to exit their businesses within the next decade. Without succession plans and new ownership options, communities risk losing local grocery stores that families rely on every day. When a grocery store closes, residents often face longer travel distances, fewer choices, and higher costs, while communities lose local jobs and an important economic anchor. Supporting successful grocery store succession is an opportunity to maintain food access, strengthen rural economies, and help keep communities vibrant and sustainable for the future.

Supporting rural grocery store succession requires addressing several barriers that can prevent community-based ownership models from emerging or succeeding. One challenge is that ownership transitions often happen quickly, while community organizations and worker groups may require significant time to organize, assess the viability of a purchase, develop governance structures, and secure financing. Governments could explore ways to support communities before succession opportunities arise, including technical assistance, succession planning resources, and partnerships with organizations that have expertise in co-operative development and community economic development.

Access to capital is another significant barrier. Community groups and employees often have fewer financing options than larger retailers or private investors, making it difficult to compete when a store comes up for sale. Potential policy responses could include adapting existing community investment tax credits, developing financing tools for community and worker buyouts, and exploring loan guarantees or other mechanisms that reduce barriers to investment. Governments could also consider measures that encourage owners to pursue community-based succession options, including leveraging emerging federal Employee Ownership Trust (EOT) provisions that make it easier for employees to collectively acquire and operate businesses. These models may provide an additional pathway for preserving locally owned grocery stores while supporting workforce retention and community economic development.

Long-term sustainability is equally important. Successfully transferring ownership does not, on its own, address the operational challenges facing many rural grocery stores. Grocery retail operates on narrow margins and independent stores often face higher costs and lower purchasing power than larger competitors. Supporting access to wholesale buying groups, strengthening supply-chain partnerships, and providing business planning and operational supports could improve the long-term viability of community-owned and worker-owned stores.

There may also be opportunities to explore partnerships with organizations such as PrairiesCan, co-operative development agencies, and community economic development organizations to test and evaluate new approaches to rural grocery store succession. These partnerships could help communities retain essential services, preserve local employment, and maintain access to groceries close to home.

PART IV - FUTURE POLICY DIRECTIONS

Chapter 5: Building a Fairer Grocery System

The factors contributing to grocery prices are complex and no single policy can fully address food affordability challenges. While some drivers of food costs are global in nature and beyond the control of any provincial government, there are a range of actions that Manitoba can consider to strengthen competition, improve consumer protections, support local food systems, and expand access to affordable food.

Throughout this study, stakeholders, researchers, community organizations, producers, retailers, and government departments identified a variety of potential approaches that could help address affordability pressures facing Manitoba households. These options range from regulatory and legislative changes to targeted investments, pilot projects, and partnerships designed to strengthen Manitoba's food system over the long term.

The policy options outlined in this chapter are intended to support further discussion and analysis. Some could provide more immediate benefits for consumers, while others would require longer-term implementation and collaboration across governments, industry, and communities. They represent opportunities to build on actions already underway and explore new approaches to improving grocery affordability for Manitobans.

The options are organized into four broad themes: strengthening consumer protection and pricing transparency, increasing competition and market access, supporting food production and supply chain resilience, and improving food access through community-based solutions. While each option varies in scope and complexity, all share a common objective: helping Manitobans access affordable, healthy food and building a stronger, more resilient food system for the future.

5.1 FAIR PRICING AND CONSUMER PROTECTION

The grocery marketplace is changing rapidly. Advances in artificial intelligence, digital pricing technologies, consumer data collection, and retail analytics are creating new opportunities for retailers, but also raising new questions about fairness, transparency, and consumer privacy.

Potential policy options identified through this study include strengthening protections against surveillance pricing and personalized pricing practices, restricting the use of facial recognition technologies and biometric information in grocery pricing decisions, and establishing safeguards governing the use of artificial intelligence and electronic shelf labels. Additional opportunities include expanding transparency requirements related to shrinkflation, strengthening disclosure requirements where product sizes are reduced, protecting consumer loyalty benefits, and exploring requirements for retailers to provide greater discounts on near-expiry food products.

5.2 COMPETITION AND MARKET ACCESS

Strong competition helps create downward pressure on prices, improve consumer choice, and encourage innovation. While Manitoba has already taken action to address grocery property controls, stakeholders identified additional opportunities to improve market access and support competition within the grocery sector.

Potential options include further examination of barriers to market entry, support for independent retailers and co-operative grocery stores, and initiatives that encourage new grocery operators to establish or expand within underserved markets.

Over time competitive markets can provide consumers with more choices and create incentives for retailers to compete on price, quality, and service.

5.3 BUILDING STRONGER FOOD SYSTEMS

Long-term grocery affordability depends on the strength and resilience of Manitoba's food system. Food production, processing, transportation, storage, and distribution all contribute to the final price paid by consumers.

Potential opportunities identified through this study include expanding community food hubs, strengthening regional aggregation and distribution systems, exploring regional food distribution centres, increasing local food processing capacity, and supporting food transformation initiatives that reduce waste while creating value-added products.

Stakeholders also identified opportunities to strengthen public procurement and local purchasing. Including local producers in Manitoba food procurement within schools, hospitals, personal care homes, correctional facilities, and other public institutions could help support producers while creating more stable local food markets. Additional opportunities may exist to support greenhouse development, northern food production, and other initiatives that increase local food supply and improve food system resilience.

5.4 COMMUNITY FOOD ACCESS AND FOOD SECURITY

Improving food affordability requires ensuring that Manitobans can physically access healthy and affordable food in their communities. While traditional grocery stores remain the foundation of the food system, community-based approaches can help address service gaps and strengthen local food access.

Potential opportunities include expanding mobile food markets, strengthening Indigenous-led food systems, supporting food hubs and co-operative grocery models, increasing support for food rescue and redistribution initiatives, and exploring public-community grocery store partnerships in communities where traditional retail options are limited.

The study also identified opportunities to address rural grocery store succession challenges through community ownership models, Employee Ownership Trusts, co-operative development supports, technical assistance, and financing tools that help communities retain essential grocery services. Additional partnerships with organizations such as PrairiesCan and community economic development agencies may help support pilot projects and evaluate new approaches.

5.5 EMERGING OPPORTUNITIES

Several additional opportunities emerged during the study that do not fit neatly within a single policy category but may contribute to improved affordability, food access, and community resilience.

These include modernizing food donation legislation, clarifying donor eligibility requirements, supporting safe redistribution of surplus food, reducing food waste, and expanding partnerships between retailers, restaurants, food banks, and community organizations.

The study also identified opportunities to support home-based food production and small-scale food entrepreneurship through modernization of low-risk food regulations. These approaches could create new opportunities for household income generation, local food production, and community-based economic development while expanding access to affordable food options.

Finally, Manitoba's implementation of the Nutritious Food Basket and ongoing work related to nutrition education, healthy eating, and food literacy may provide new opportunities to better understand the cost of healthy eating and support improved health outcomes over time.

PART V – CONCLUSION

Conclusion

Food affordability is one of the most important economic and social challenges facing Canadian households. While grocery prices are influenced by global markets, supply chains, production costs, and factors beyond the control of any single government, this study demonstrates that public policy can play an important role in helping families manage costs and improving the fairness and resilience of the food system.

The findings of this study show that grocery affordability is about more than prices alone. Competition, consumer protection, food production, transportation networks, community infrastructure, and local food access all influence whether Manitobans can reliably access healthy and affordable food. Addressing affordability therefore requires a broad and coordinated approach that recognizes the interconnected nature of Manitoba’s food system.

Manitoba has already taken important steps to improve affordability, strengthen competition, protect consumers, and support local food systems. These actions provide a foundation for future work. At the same time, the study identifies additional opportunities to strengthen transparency, encourage competition, support producers, improve food access, reduce food waste, and build more resilient community food systems.

There is no single solution to grocery affordability. However, by combining strong consumer protections, competitive markets, resilient supply chains, and community-based food access strategies, Manitoba can help ensure families have access to affordable, nutritious food both today and in the years ahead.

The Manitoba Grocery Price Study is intended to be the beginning of that conversation. As food systems continue to evolve, ongoing collaboration with producers, retailers, Indigenous communities, municipalities, community organizations, and Manitobans will be essential to building a fairer, stronger, and more affordable food system for the future.

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